



Important Questions To Ask A Real Estate Agent

#1 How Long Have You Been in the Business?

Age doesn't matter, but finding an agent with experience can mean the difference between knowing how to handle a difficult situation to ignoring it, or not recognizing the signs of a potential problem before it develops into a crisis. Many relocation companies insist on a minimum of five years' experience.

#2 Average List-to-Sales-Price Ratio

When hiring a listing agent, expect to see list-to-sales ratio within 95% to 100% in a buyer's market; in a seller's market: 100% to 110% of list price. There are times a seller will set an unrealistic sales price, which would mean you can't always judge an agent on ratios.

When hiring a buyer's agent, expect to see list-to-sales ratios within 90 to 99% in a buyer's market; in a seller's market: 100% to 105%. Again, these ratios are dependent on market value listings, and not all listings are market value.

#3 Best Marketing Plan / Strategy

As a buyer, you should expect to see 5 to 7 homes a day, for as long as it takes to find your home. All the homes should fit your parameters, and the agent might even preview the homes for you.

As a seller, you would like your agent to advertise weekly for you, perhaps do a little bit of targeted direct mail, send e-flyers, maybe produce four-color brochures, and present you with a marketing campaign designed specifically for you.

The agent should also agree to solely represent you and not represent other buyers who are competing for the same inventory.

#4 References

You might find references on an agent's Web site, but you should also ask to see letters of reference. Clients often send thank you notes or letters to the agent's broker. Check a minimum of three references.

#5 Top Three Things That Make the Agent Different

Examples can range from marketing to knowledge. Acceptable answers are:

- Strong repeat record of satisfied customers
- Extensive online marketing
- Good negotiation skills
- Assertive, doesn't take no for an answer
- Strong communicator.

#6 Review of Documents

As a buyer, ask to see a sample purchase agreement and ask the agent to point out your cancellation rights in this document. If the agent hems and haws, or hesitates to explain the purchase agreement to you, hire another agent. As a seller, ask to see the listing agreement. Ask about reserving the right to sell the home yourself. If you see a fee you do not understand, question it.

#7 Affiliation with Related Professionals

Ask the agent if the title company/Attorney's Office she recommends charges competitive fees. All agents build teams of professionals, from title companies to escrow officers to mortgage lenders, home inspectors, and appraisers.

#8 Agent Fees

All fees are negotiable. If you are a buyer, ask the agent if the fee stated in the buyer's broker agreement will be adjusted if the offered seller's compensation is lower. If you are a seller, ask about discounted fees. Sometimes agents will match fees offered by other agents.

#9 Personal Guarantee

If the agent will not release you from a listing agreement prior to its expiration upon request, then you should hire another agent. Ask about it before you sign a listing

agreement. Ditto with a buyer's broker agreement. Some agents will release you; others will not.

#10 Other Questions

You might ask the agent to reiterate your goals and objectives. If the agent does not appear to have a thorough understanding of what you want, despite your attempts to explain what you want, then hire somebody else.

Some agents do not listen very well. You want an agent who will listen to you and communicate with you. The best way to find out if the agent comprehends your desires is to ask the agent to repeat it back to you.

The answers to these questions are all very important, but in addition, you should choose a likable agent. They are easier to communicate with and work better with other agents while negotiating. Happy Home Selling and Buying!



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